



August 7, 2015

The Honorable George E. Wallace, Mayor
Members of City Council
City Hall
22 Lincoln Street
Hampton, VA 23669

RE: End of Year Report-FY2015

Dear Mayor Wallace and Members of City Council:

The City Attorney's Office is proud to support the mission of the City by providing quality legal services to the City Council, City departments, City employees, City boards and commissions, the Commissioner of the Revenue, the Assessor of the Real Estate, the Treasurer and the Economic Development Authority. This End of Year Report addresses Fiscal Year 2015. In the future, this report will address the prior fiscal year's accomplishments and provide more information regarding the effectiveness and efficiency of our service delivery.

Introduction

The City Attorney's Office consists of the City Attorney and 9 other attorneys, all experts in one or more areas of municipal law, supported by three paralegals, a F.O.I.A. Coordinator who is also a paralegal, and two highly trained and customer oriented legal support personnel who also perform paralegal services as needed. This office also supervises the City's Risk Management Division.

Team System

The office is divided into two functional teams each led by a Senior Deputy who supervises the work of the team and provides and coordinates training and mentoring to the team's attorneys. The team concept was designed to provide cross training and back-up so the office is at least "two deep" in the core areas we handle. I continue to be the chief counsel to the Economic Development Department and the Economic Development Authority, and mentor a Senior Assistant City Attorney in the areas of land use, real estate and economic development. We are also providing more personalized legal services to HPD, Fire and Procurement by embedding three of our attorneys with the divisions. These attorneys are hands-on with the police officers, firefighters and procurement buyers and their respective administrations.

Key Service Delivery Data

The following statistics are intended to show the present cost and allocation of legal resources. As of July 1, 2014, we started recording the total number of legal service hours provided in-house by the attorneys and paralegals. The data submitted in this report shows that

City Attorney's Office

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the cost for in-house legal service delivery is substantially below the costs required to obtain legal services from private law firms.

In order to analyze the data, we obtained the hourly cost for the outside counsel used by the City and averaged the hourly rates. We also averaged the billing rate for the in-house staff members based on their salaries plus 40% for benefits. The average hourly rate for the city attorneys, plus 40% benefits and including my salary is \$62.40 which is slightly less than the mid-year rate of \$67.80. This is partially due to filling vacancies at a lower rate of pay. For paralegals, the average hourly rate is \$25.13 which is also slightly less than the mid-year rate of \$27.44. By contrast, the average hourly rate of the outside legal counsel is \$263.33 which is down from the mid-year rate of \$295.44. This is partially due to closing out of two cases and negotiating lower outside counsel rates for new cases. The average hourly rate of outside paralegal assistance is \$107.62 which has slightly increased from the mid-year rate of \$97.50. The increase is due to the use of a paralegal that specializes in finding lost or unknown heirs for acquisitions.

From July 1, 2014 through June 30, 2015, this office directly provided 12,237.43 total hours of legal service (9,966.53 in attorney hours and 2,270.90 in paralegal hours). This number does not include hours spent completing administrative tasks, supervision of attorneys by senior attorneys, professional development, or training. It only reflects direct legal service time to clients.

As shown on the attached chart, if the 12,237.43 hours in-house legal services had instead been provided by outside counsel, the cost to the City would have been \$2,868,880.60. At the in-house rate, the cost was \$678,979.19; generating \$2,189,901.41 in savings for the fiscal year.

I will continue to focus on keeping total legal costs for the City low by performing as much work as possible through the utilization of our in-house attorneys. Key hires since July 1, 2014 have allowed us to take on more litigation and fulfill the demands of our ever growing F.O.I.A. requests.

Outside Counsel for Litigation

Outside legal fees for the July 1, 2014 through June 30, 2015 period totaled \$532,129.42. Service hours delivered by outside counsel were far less than in-house attorneys (2174.4 total hours) and focused on 10 cases, 5 of which have been ongoing litigation from past fiscal years.

It is always our intention to minimize the use of outside counsel wherever possible. Outside counsel is utilized primarily in cases where a conflict of interests prevents us from representing multiple City-related parties in litigation or where specialized legal services beyond the core competency of our in-house attorneys are required.

Legal Service Hours to Major Departments

Although the City Attorney's Office represents all City departments as well as its major boards and commissions such as the Planning Commission, the Economic Development Authority and the Hampton Federal Area Development Authority, some departments consume a substantial amount of service hours which overlap team function areas. The majority of legal service hours were devoted to the Police Division, Public Works (includes engineering, traffic, operations, steam plant and wastewater), Community Development (includes Planning, Zoning, Code Enforcement and Development Services Center, BZA, and Planning Commission),

Economic Development (includes the EDA), Procurement Division, City Council (meetings, citizen and Council inquiries requiring advice), Social Services, City Manager and the Fire Division.

Other statistics that may be of interest for the fiscal year include the following:

- F.O.I.A requests- 1,197
- Medical records requests-227
- Subpoena Duces tecum -116

Gateway Misdemeanors prosecuted since start of program on February 17, 2015 (4 months)

- 239 (222- possession of marijuana)

The City Attorney's Office continues to be committed to providing the highest quality legal service at the lowest possible costs to the Hampton taxpayers. We look forward to continuing our work supporting key City services and City Council objectives.

If you have any questions about the information provided here, please call on me. Thanking you for allowing the office of the City Attorney to be of service, I am

Respectfully yours,



Vanessa T. Valldejuli
City Attorney

cc: Mary B. Bunting, City Manager
Katherine K. Glass, Clerk of Council

CITY ATTORNEY'S OFFICE | 2015 YEAR-END REPORT

TEAM STRUCTURE

LITIGATION	DEVELOPMENT & FINANCE	SUPPORT STAFF
 5 Attorneys	 5 Attorneys (Includes City Attorney as chief counsel to EDA)	 4 Paralegals & 2 Legal Assistants doing paralegal work

FISCAL YEAR '15 COST SNAPSHOT

TOTAL FISCAL YEAR '15 DEPARTMENT BUDGET: \$995,594

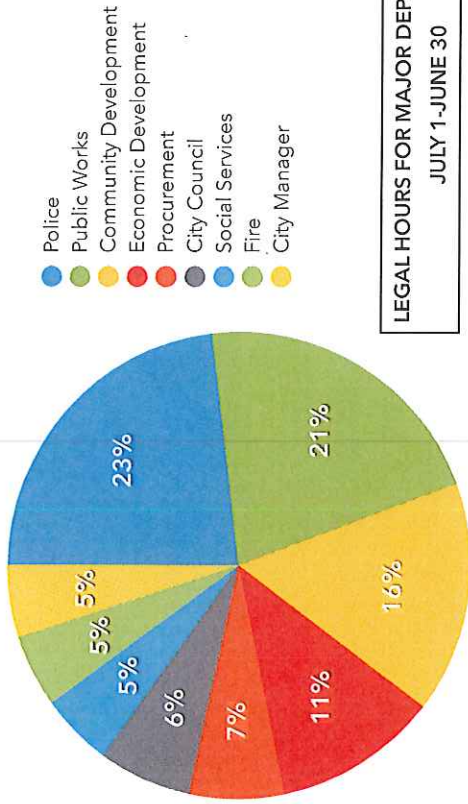
	HOURS BILLED July 1-June 30
Attorney Time	9,966.53
Paralegal Time	2,270.9
TOTAL	12,237.43

*Does not include time billed to CAO for supervision by senior attorneys, professional development, training, or file/record management, only direct service hours

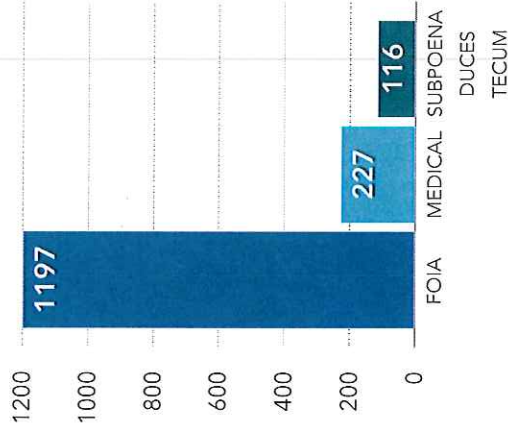
COST TO CITY

@ Average Outside Counsel Rate (\$263.33/hr attorneys; \$107.62/hr paralegals)	\$2,868,880.60
@ Average CAO Salaried Rate* (\$62.40/hr attorneys; \$25.13/hr paralegals)	\$678,979
SAVINGS OVER 1 YEAR	\$2,189,901

*Average rate based upon salaries plus 40% added for benefits



RECORDS REQUESTS



GATEWAY MISDEMEANORS

